pect of an official change in gold prices and which enabled central banks to regain full control of the market by using the proposed new type of reserve asset as a supplement—or even an alternative—to future gold accumulation.

We might then see a massive unloading of gold by speculators who have accumulated enormous hoards of the metal over many years past. The size of such gold sales might be expected to run into several billions of dollars, if we reflect that private gold purchases have risen since 1960 by \$500 to \$600 million each year over previous levels that already embodied large and sustained speculative purchases.

Substantial dollar inflows would then replace, once again, the abnormal outflows that are at the origin of most of our deficits and reserve losses of the last 5 years. Together with the other measures already taken to improve our balance of payments, this should suffice to bring us into equilibrium and possibly even into substantial surpluses in our international accounts. While removing the remaining tax provisions that discourage the repatriation of foreign earnings, we should then also be able to dispense with the recent capital controls proposed in the President's February 10 message, which if maintained for long would effectively kill the dollar as a key currency in world trade and finance.

Contrary to the judgment of many New York bankers, the survival of the dollar in this vital and fruitful role depends today on its elimination, rather than on its retention, as a reserve currency. In the latter role, the dollar will always be cashable into gold metal, either by cautious central bankers afraid of a gold revaluation or embargo, or by their political masters, eager to brandish the real or imaginary bargaining strength derived from their monetary force de frappe. Both may be wrong in their calculations, but the main threat to our international monetary order lies precisely in such miscalculations.

TAKING THE INITIATIVE IN

(Mr. OTTINGER (at the request of Mr. Steed) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, President Johnson's address on Vietnam Wednesday night will be recorded as one of the great speeches and one of the great acts of statesmanship of world history.

The President nobly expressed our determination to defend freedom and to honor our commitments to free nations. He defined our objectives to achieve peace under circumstances in which the peoples of free nations such as Vietnam will be free and secure to decide their own future. He pointed the way toward achieving that peace through unconditional negotiations, at any time, before any forum.

Until this great speech, many of us feared that the United States was just pouring fuel on a dangerous fire by escalating our military operations in Vietnam without defining the objectives of that escalated warfare, We seemed to have committed ourselves to an unending upward spiral of military action without definition of the result we sought from this pressure, except in the unrealistic terms of total capitulation. We were drawing criticism from many of our free world allies and neutral na-

tions for appearing to resist any negotiations for settlement except on the unrealistic condition of first achieving militarily the objects of such a negotiation.

The President has now placed the responsibility for the quest for peace squarely upon the Communists. If they fail to respond, the responsibility for continued hostilities will clearly be theirs. Let our allies and the uncommitted nations of the world now harangue the Communists to come to the bargaining table. May these nations be as vocal and forceful in their pressures on the Communists to seek peace as they were toward us, for the Communists are now accurately identified as the perpetrators of continued bloodshed in that war-torn land.

The President held out the promise of peace and hope for the future to the north as well as to the south—to the south, something worth fighting for; to the north, something to stop fighting against.

The President used imagination and ingenuity in urging the Secretary General of the United Nations to initiate a plan for the stepped-up economic development of all southeast Asia. Certainly this war grows as much as from anything as from the frustrations of hunger and deprivation. He demonstrated our seriousness of purpose to assist such a program by offering a fortune—1 billion American dollars—toward its execution.

President Johnson asked that all industrialized nations join in this great developmental undertaking. We should demand it. So far, we have borne all the expense of prosecuting this war for Vietnam's freedom while the nations to whom success means most in this endeavor have stood by the sidelines carping. It is our boys, not theirs, who have spilled their blood on Vietnam's battlefields. For this there is no price. These lives have been given in their interest as much as in ours.

Let France and Japan particularly, who have such a stake in a free Vietnam; who have been crying so that we take this initiative toward piece—let France and Japan and the other prosperous nations of the free world join fully in the effort to make that peace a reality for southeast Asia. And let them do it with the gold and dollars they have drained out of us, much of it extracted from the efforts we have been making to their lasting benefit in Vietnam and around the world.

The dollar surpluses about which these European countries now gloat are so largely out of our hides, first through our foreign aid which helped restore them to prosperity, then through our assumption of the lion's share of the responsibilities for defense and strengthening of the free world. Let them now do their share. Let us see them replace their carping with constructive action. In terms of a crude American saying, let us see them put their money where their mouths are.

It will be tragic if all the nations involved in Vietnam fail to take advantage of President Johnson's offer of honorable negotiations toward a settlement

which can bring to this area its first substantial hope of improvement in modern times.

President Johnson has breathed hope into a situation that had appeared hopeless. He gave meaning to a conflict that seemed headed toward meaningless destruction. May the chiefs of state, free, neutral, and Communist, respond in full measure to the great opportunity he has afforded them.

ALBERT CARDINAL MEYER—A PORTRAIT OF GREATNESS

(Mr. ANNUNZIO (at the request of Mr. STEED) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ANNUNZIO. Mr. Speaker, the hearts of all of the people of the Chicago metropolitan area, the State of Illinois, the Nation, and peoples throughout the world are deeply saddened because of the passing of a prince of the church, the beloved Albert Cardinal Meyer.

President Johnson made a very appropriate statement when he said that Americans of all faiths will mourn his death, and added:

His falth and deep-rooted belief in individual dignity, common understanding, and religious freedom for all men justly earned him the profound admiration, respect, and gratitude of men everywhere.

I would like at this time to insert into the Congressional Record a poem written by the Reverend Emmett Regan, assistant pastor of the Holy Name Cathedral and associate editor of its monthly publication, Cathedral Calendar. The poem, entitled "Who Was He?" follows:

"WHO WAS HE?" A PRIEST ASKS

This poem was written after Albert Cardinal Meyer's death by the Reverend Emmett Regan, an assistant pastor at Holy Name Cathedral and associate editor of its monthly publication, Cathedral Calendar:

"Who was he—this quiet cardinal of Chicago? He was the bishop whose first public act was to clothe the poor of the city.

He was the archbishop who spoke out for all his people. He was the cardinal who went to Rome and

He was the cardinal who went to Rome and stomped down St. Peter's aisle to demand freedom of conscience for all. He was your father and mine.

A great man—
A kind priest—
A gentle shepherd—
A mighty cardinal—

With deeper thoughts not just for Chicago but for the world; not only for Catholics but for every Jew and Protestant—yea, every child of God.

Yet very few knew him—

Yet very few knew him— His fishing companions, The boys he clothed, His priest conferees, His barber, but who else. He's gone now—

And there is a big gaping hole—not just in Chicago but in the whole world.

Albert Meyer is dead."

Mr. Speaker, as general chairman of the Villa Scalabrini Italian Old Peoples Home Development Fund, I want to personally acknowledge the tremendous inspiration that Cardinal Meyer was and will continue to be to the Italo-American community of Chicago. We shall miss this great spiritual leader but we shall continue in our efforts to complete our home in which he was so genuinely interested.

(Mr. MONAGAN (at the request of Mr. Steed) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

[Mr. MONAGAN'S remarks will appear hereafter in the Appendix.]

NEW YORK CITY IN CRISIS— PART XLII

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the 42d part of "New York City in Crisis."

This article concerns the formation, by a group of public-spirited citizens, of a private industrial development corporation to try to stem the tide of manufacturing concerns leaving New York.

The article appeared in the New York Herald Tribune of March 2, 1965, and follows:

New York CITY IN CRISIS: BUSINESS PLAN TO THE RESCUE—\$350,000

(By Barrett McGurn)

The presidents and board chairmen of 70 of the largest business firms of New York City agreed yesterday to form a private industrial development corporation to fight the flight of factory jobs from this city.

the flight of factory jobs from this city.

A 3-man preparations committee representing the city's top chamber of commerce leadership was appointed to form a 10-man organizers will then invite the best business brains of New York to join the new corporation's board of governors and operating committees. These in turn will seek the best executive director the American scene, and money, can provide.

FUNDS

New York business will provide the funds: something under \$300,000 the first year, something over that in succeeding years. The preparatory committee sees no problem getting this much from the 70 corporations and from others.

The purpose of the industrial development corporation will be to give New York for the first time, the same businessman civic leadership which has lifted Philadelphia, Pittsburgh, Chicago, Minneapolis, and Boston out of economic and social crises such as the one now facing America's largest city.

Industrial development was chosen as one specific target at which the combined business leadership of New York can aim immediately without losing time on "more studies and more reports." In the hope of at least one member of the three-man preparatory committee—Walter F. Pease, president of the New York Chamber of Commerce—the new organization will blossom eventually into something even broader and more ambitious: a citizens' group to tackle the whole range of problems awaiting solutions.

ISSUES

If the industrial development corporation will go on to cope with commuter transportation, tax questions, the lack of adequate parking space, crime and the whole range of other critical New York issues, fine, said Mr. Pease. If not, his own two-century-old New York Chamber of Commerce will set about organizing a parallel businessmen's organization to grapple with the other issues.

Scores of billions of dollars in company holdings were represented by the men who met yesterday in the oak-paneled council

room. Presidents and board chairmen of 9 of the 10 largest corporations of the United States—all 9 of New York's largest—were present. The vote in favor of the new corporation was unanimous.

PREPARATORY GROUP

In addition to Mr. Pease, the members of the preparations committee are:

H. Chandlee Turner, Jr., president of the Turner Construction Co., and president of the 3,200-member Commerce & Industry Association of New York. The association is the largest local chamber of commerce in the United States. Mr. Turner took the initiative in summoning the meeting.

Edmund F. Wagner, chairman of the board of the Seamen's Bank for Savings, and president of the Downtown-Lower Manhattan Association, of which David Rockefeller has long been a central figure.

The presidents of all of New York's major chambers of commerce took part. Among them were the Chambers of Commerce of Brooklyn, Queens, the Bronx, and Staten Island, the New York Board of Trade, and the West Side Association.

Mr. Turner gave three main reasons for

the enthusiastic support:

The recent report of the Federal Bureau of Labor Statistics that New York City lost 70,000 factory jobs in 5 years ended December 31, 1963, and the belief that a spiraling deterioration cost an additional 30,000 jobs

Shock caused by the announced closing of the New York Naval Shipyard in Brooklyn, with the consequent elimination of 9,500 blue-collar jobs.

A new awareness of the city's problems provided by the Herald Tribune's "New York City in Crisis" series.

Both labor and government will be urged to join the industrial development corporation, but business will retain control. Mr. Turner said he has outlined the project to Mayor Wagner, and has talked by telephone with Harry Van Arsdale, president of the New York City Central Labor Council, AFL-CIO. The mayor offered the cooperation of city departments. Mr Turner is trying to set up a meeting with Mr. Van Arsdale and hopes for his support "because the whole nurpose is to create more ichs."

purpose is to create more jobs."

The businessmen may build on the industrial development corporation organized 18 months ago by Commerce Commissioner Louis Broido, but only if direction passes out of the hands of the five city officials now running the Broido group, and into business control.

Much more than \$300,000 a year will be channeled into new, expanded and relocated factories inside the five boroughs. In most cases these extra moneys will come from existing State and Federal programs not fully used at present. The aim will be to serve as go-between in an effort to multiply blue-collar jobs. The objective is to head off soaring tax rates that threaten to cripple New York's economic life.

The controversial recent Arthur D. Little report on New York's manufacturing crisis was one of the documents that helped to inspire yesterday's action. Mr. Turner said that he agreed with 90 percent of the alarming study. The 10 percent of dissent concerned the Little suggestion that New York City serve as the owner of any new industrial development corporation, and that the mayor and city officials, "probably" accompanied by some private individuals, act as the administrators.

Several caustic comments against "polities" punctuated the closed-doors discussions prior to the agreement on a businessmen's action group.

The New York Chamber of Commerce, which still operates on a pre-Revolutionary charter given by England's King George III, and the Commerce and Industry Association will pool staffs to launch the venture.

The idea behind the action is that the very elements of the New York City population who are least educated and least skilled are losing their chance to work and are drifting toward idleness and violence because of the flight of factories from congested New York City high-tax area.

The aim of the corporation will be to help factory operators get the space, funds, tax structure and general city assistance they need. The fear of the businessman organizers is that State and city taxes otherwise will continue to soar, making New York less and less attractive as a place to work and live.

The 70 corporations represented at yester-day's meeting included many of America's biggest utilities, banks, insurance companies, railroads, manufacturers and publishers.

NEW YORK CITY IN CRISIS—PART XLIII

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the following article which appeared in the New York Herald Tribune on March 3, 1965, and which concerns the complex and difficult problems of New York City's civil service.

The article is part of the "New York City in Crisis" series and follows:

NEW YORK CITY IN CRISIS—FRUSTRATED WORKERS SEEKING ACHIEVEMENT

(By Marshall Peck and Barry Gottehrer, of the Herald Tribune staff)

From the top, looking down, there's the problem of direction and leadership and, more than that, motivation. From the lower levels, looking up, there's the feeling that the direction isn't sure of itself, that too many voices are saying too many things.

At all levels there are degrees of enthusiasm and drive, and a desire to get things done. But there is also cynicism and frustration at the way things are done.

This is the working life of some 240,000 New Yorkers—all employed by the city of New York.

Here—under different names and in unspecified departments—several city workers, encountered by Herald Tribune reporters in researching the continuing investigative series, "New York City in Crisis," give their own personal viewpoints of their own city in crisis:

"There is a saying, "Thou too, shall pass," says John Parton, a high aid in one city agency. "I think that sums up the philosophy of a lot of civil service employees. I guess they've seen commissioners come and commissioners go. They've seen them come in, starry-eyed, with great ambittons, and try to do things a new way. And they've seen the ambittons blunted, and the plans fade away. "Thou, too, shall pass."

John Parton, who works closely with the commissioner of his agency, is proud to list the accomplishments his own boss has achieved and, by extension, he relates a city department's capability to the man who is actively guiding it.

"It's not the mayor's fault, entirely, if something doesn't work out right," Mr. Farton says. "The mayor is an orchestral leader, up there waving a baton. But it's not possible for the conductor to orchestrate the harmony—and it's practically impossible, unless the commissioner has guts and drive, to put all ideas into practice.

FEW AND FAR BETWEEN

"The workers in the ranks know the ins and outs," continues John Parton, "but they don't have the initiative. There are many civil servants I would trade up, put into higher posts, because of the wonderful job they are doing. But the number of dedi-

The story is this, in brief: Colgate-Palmolive and Procter & Gamble are companies engaged in one of the most keenly competitive areas of the American consumer merchandise market. Obviously, an extensive amount of research, planning and creative thought goes into the shaping of marketing strategy and tactics by each of these companies. Equally clear is the fact that in such a highly competitive market area a great deal of time and thought is given to considering what the opposition is planning.

With this as background, consider the monetary value it would be to one of these companies to obtain its competior's detailed budget for sale and distribution of one of its leading consumer products. According to an assistant U.S. district attorney, Procter & Gamble placed the value to a competitor of inside knowledge of such a budget at no less than \$1 million.

The Colgate-Palmolive Co. was offered such inside infor**m**ation, in the form of a detailed 188-page marketing and advertising plan devised by Procter & Gamble. Colgate-Palmolive, immediately upon receiving this offer, reported the incident to the Federal Bureau of Investigation for that agency's action. Last week the U.S. attorney for the Eastern District of New York, Mr. Joseph P. Hoey, commended the Colgate-Palmolive Co. for its conduct in promptly alerting authorities to this illicit offer. A former employee of Procter & Gamble has been arrested and charged with industrial espionage in the matter,

Mr. Speaker, as the Representative of a congressional district in which the Colgate-Palmolive Co. has a major plant, I of course am greatly interested in any news story which reflects well on one of my constituents. But of even greater importance, the action taken by Colgate-Palmolive officials reflects well on our entire American business community—and at a time when the free enterprise system is under attack from foreign enemies and domestic homograps.

emies and domestic, homegrown critics. As I have said, too often do gaudy, misleading headlines lead the public to believe that the ethics and sense of competitive fairplay of our Nation's business community is at an alltime low. We hear baseless charges of a so-called profit-first philosophy allegedly held by executives of today's large corporate enterprises. By such charges, the enemies and critics of American business hope to undermine public confidence, not only in this country but abroad as well, in the social efficacy of the free enterprise system.

For this reason, at this time the story of one large U.S. company's exemplary demonstration of the highest of ethical business standards, even in the most aggressively competitive areas of the free enterprise market, deserves notice and consideration.

I join U.S. Attorney Hoey in commending the Colgate-Palmolive Co. for its action in this case. And I earnestly hope that the real significance of this incident is brought home to all those who, without facts to support their charges, have unfairly and unjustly projected a false picture of American business ethics and standards in recent years.

H.R. 2362 Should Be Promptly Approved in the National Interest

EXTENSION OF REMARKS

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 8, 1965

Mr. DONOHUE. Mr. Speaker, I most earnestly hope and trust that the Senate will promptly and overwhelmingly approve this afternoon, H.R. 2362, the Elementary and Secondary Act of 1965, that this House resoundingly adopted just a week ago.

It is practically the unanimous judgment of most educational and legislative authorities that this measure is the best practical compromise that could be reasonably devloped to meet and dissolve the conscientious objections of the various groups who sincerely desire to effect the fundamental objectives of this measure.

In substance this bill will provide: First, a 3-year \$1.06 billion program of Federal grants to States for allocation to school districts with large numbers of low-income families; the uses of the funds to be decided by local school districts, subject to State and Federal approval; second, a 5-year program of grants for the purchase of books and library materials; third, a 5-year program for the establishment of supplementary education centers and services; fourth, 5-year programs to improve educational research and to strengthen State departments of education; and fifth, a 2year extension of school aid to districts impacted by the presence of Federal installations.

Let us all be reminded of the fact that \$1 billion of the expenditures proposed in this bill will be directed at raising educational quality for deprived children and these funds will be distributed into and throughout more than 90 percent of the Nation's school districts.

The 2-year extension of assistance to impacted areas, although in my opinion it should be extended for at least 5 years for proper school planning purposes, is at least an acceptable adjustment and is imperatively needed in a great many school districts.

Let us also remind ourselves that no Federal money may, by this bill, be provided directly to nonpublic schools and that the bill specifies that none of its provisions authorizes any Federal control over school curriculums, instruction, and administration of personnel, or the selection of teaching materials. The bill also states that nothing in it "shall be construed to authorize the making of any payment for religious worship or instruction."

Mr. Speaker, for some 20 years this country and this legislature has been trying to reasonably solve the problem of providing this type of Federal aid to our elementary and secondary education groups. Very likely the bill that we passed here a few days ago and is now being debated in the Senate constitutes the last, best chance to provide it. Let

the Congress, finally, stop talking about the education of children who yearly grow older and beyond legislative assistance while we quarrel and quibble and delay. Let us exert this last effort to revitalize these particular segments of our national school system.

This bill represents merely a 1-year authorization and, if need be, it can be wholesomely amended after a year's experience. The passage of this educational bill will be, in truth, an experiment and not an irrevocable act. I urge the Senate to follow the patriotic example of this House and give it a try before this day is over.

King's Boycott Immoral

EXTENSION OF REMARKS

HON. JAMES D. MARTIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES Thursday, April 8, 1965

Mr. MARTIN of Alabama. Mr. Speaker, the demand of Martin Luther King for a boycott of Alabama is awakening Americans to the immorality of this agitator. Under permission to extend my remarks in the Record I would like to include the following column written by James J. Kilpatrick which appeared in a number of newspapers across the country:

A CONSERVATIVE VIEW: KING MAKES A TACTICAL ERROR

(By James J. Kilpatrick)

The Reverend Dr. Martin Luther King, being still mortal and not yet divine, remains subject to the same rules of fate that act upon other men; and one of these rules is never to push your luck too far.

Dr. King blundered Sunday evening in his call for a boycott on Alabama. At a moment when he had everything going for him—when a combination of superb strategy and tragic circumstance had won the country and shamed his antagonists—he overstepped himself. He may never know how much this act of arrogance will cost him among those decent elements of the South's power structure on whom so much of his cause depends.

Consider the course of events in recent weeks. Until Dr. King and his associates moved on Alabama, the name of Selma was almost unknown. Not one man in 10,000 could have located Lowndes County. Highway 80 to Montgomery was a meaningless line on the map. The issue of voting rights was barely simmering on congressional stoves. The conscience of the white South was troubled, but not troubled deeply.

Over a period of 9 weeks, Dr. King single-handedly changed all that. He elevated Selma to a household word, roused the Nation to the denial of the franchise in Alabama, and raised Highway 80 to the prominence of the early Christians' Road to Rome. He prompted Lyndon Johnson into sponsorship of the most drastic voting rights bill since 1870, and he galvanized the Congress into pledges of immediate action.

Then came the murder of Mrs. Viola Liuzzo, and the drama to its shocking climax. There should be no mistaking the reaction of the white South to this vicious and cowardly crime. Decent southerners from the Potomac to the Mississippi were left sick—almost physically sick—by the wretched event. A moment of catharsis was at hand. In shame,

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sorrow, and revulsion, an agonized South might well have yielded significant gains to the Negroes' cause.

Out of the jaws of this victory, in the old phrase, Dr. King on Sunday evening snatched defeat. His call for a punitive boycott of Alabama will undo the most important part of his achievement, for the latent forces of decency in the South, ready to concede much rightness in the Negroes' demands, will react to the boycott with hot resentment. There can be no armistice now.

If I am not mistaken, the overplayed hand will cost Dr. King some measure of respect elsewhere in the country, too. He is in the position of a man whose case at bottom rests on one appeal: Be fair. But here he says to the country: Be unfair.

He was urging the South to do right because it is right; now his case loses its moral urgency. Do right, he says, or it will cost you money. The effect is to hang a price tag on justice, to confuse the granting of rights with the selling of steel.

Dr. King no longer is engaged in searing the South's conscience; he is out to hit the South's pocketbook. Along with prejudice, he would eliminate bank deposits. He is a curious exercise in morality.

The sweeping and unselective boycott demanded by Dr. King would hit the just and the unjust alike. If the maneuver succeeds to any appreciable degree, Alabama's economy surely will suffer, and in the nature of things, Dr. King's own people will suffer along with it.

In truth, they will suffer most of all, for the Negroes' future in the South depends heavily upon employment opportunities and improved education. A prolonged boycott, sustained through the cooperation of organized labor, could have a catastrophic effect upon programs of the greatest importance to the ultimate solution of all these problems. The most regrettable effect of Dr. King's

The most regrettable effect of Dr. King's new strategy will be to alienate the good will of many white southerners who were moving in his direction.

The rest of the country may not fully understand the remarkable change in attitude that has been developing in the South. From Virginia to Louisiana, fresh currents of thought and reflection have been stirring. Old barriers have been falling in windrows. Many whites and many Negroes were quietly exploring areas of understanding never before explored. But if there is to be a boycott, everyone must be flung centrifugally back to the edges once more.

We have moved in a twinkling from what is right to what is expensive; we have gone from love to money, and a South that was ready to be persuaded by the one appeal will only be antagonlzed by the other.

A Bombshell in Rio

EXTENSION OF REMARKS

HON. J. ARTHUR YOUNGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 12, 1965

Mr. YOUNGER. Mr. Speaker, recently at one of the White House briefings, I asked the question as to why there seems to be a news blackout on Cuba, both from the State Department and the White House, and was assured that communism had lost its adherence in Central and South America and was no longer an important factor, and that Cuba was in a mess both socially and economically.

I felt at the time that this casual dismissal of Cuba as a communistic problem did not have in fact the background assurance which the State Department seems to offer as an excuse for this apparent news blackout.

Now comes the news that Saturday \$300,000 in large bills was captured from Communist Italian leaders who were transporting the money on behalf of Russia, to be used in Brazil to further Communist parades, sit-ins, and all types of Communistic propaganda projects

In this morning's Washington Post, an article by Messrs. Rowland Evans and Robert Novak again brings to the front the Communist proposals from South America wherein the United States will be asked to leave the Organization of American States as well as the Inter-American Development Bank, to be replaced by Fidel Castro.

It seems to me that the Communist activities within 90 miles of our shore should receive far more attention than is apparently the case, and also I feel the public should be informed by the State Department or by the administration of what is going on, rather than having to get the information entirely from the newspapers.

The article follows:

[From the Washington Post, Apr. 12, 1965]
INSIDE REPORT—A BOMBSHELL IN RIO

(By Rowland Evans and Robert Novak)

A cabal of South American governments is secretly fusing a political bomb to toss in Uncle Sam's lap at the pan-American conference in Rio de Janeiro next month.

The bomb: A proposal now in the draft stage, by adventurous young nationalists of Chile's new Christian Democratic government. If presented in its present form, the Chilean proposal could turn the Rio meeting—and the whole inter-American system—upside down.

The plan would junk both the Organization of American States (OAS) and the Inter-American Development Bank and replace them with all-Latin organizations excluding the United States. Moreover, while Uncle Sam would be asked out, Fidel Castro would be asked in. Thus would the United States be isolated from Latin America.

This is precisely the goal of the Communists. But what is being readled for Rio is not a Communist invention, but the product of emotional nationalism (spliced with generous portions of anti-Yankee sentiment) now running rampant through South America. This is the most troubling Latin development since Castro's attempts to export revolution came a cropper and is potentially more dangerous.

The prophet of this movement is an Argentine economist and international bureaucrat named Raul Prebisch. As head of the United Nations Economic Commission on Latin America (ECLA), Prebisch devised a doctrine that shows the developed half of the world (led by the United States) dominating and victimizing the undeveloped half (including Latin America). This is accomplished, according to Prebisch, by paying the underdeveloped half far less for its raw materials than they are really worth.

The appeal of this doctrine to the Latin American mentality was immense. Here was a way to shift blame for the region's stunted growth from the Latin's own political and economic inefficiency to the Colossus of the North. The Prebisch cult has disciples in

governments all over Latin America—Argentina, Uruguay, Peru, even the primarily pro-II S. Government of Brazil.

But nowhere is the Prebisch sway stronger than among Chile's high-flying Christlan Democrats. ECLA's headquarters are located in Santiago. Chile's President Eduardo Frei has asked Prebisch and three other international bureaucrats to study the prospects of further economic integration in Latin America.

One prominent Chilean Christian Democrat put it to us this way in Santiago last December: "Here in Chile we are all sons of Preblsch."

From this flows the four remarkable proposals contained in the secret Chilean draft proposal.

One of these—calling for the United States to give Latin American commodities special trade preferences just as European nations help their excolonies in Africa—is quite sensible. It has long been quietly pushed by Thomas Mann, U.S. Assistant Secretary of State for Economic Affairs. The three other points, however, go off the deep end, as follows:

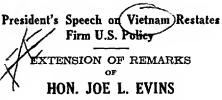
- 1. Establishment of a new Latin American organization, which would in effect supplant the OAS. Far from including the United States, this new organization would bargain against the United States.
- 2. Conversion of the Inter-American Development Bank into a bank to encourage Latin American Integration. The United States would have no say in the management of this bank, though, quite naturally, it would be financed mainly by Uncle Sam.
- 3. A cordial invitation to Castro to join these new organizations now that the United States has been excluded.

Unbellevable? Consider a recent Interview in a Santlago newspaper of Gabriel Valdes, the Chilean Foreign Minister.

Attacking U.S. control over its own aid money and the economic isolation of Castro's Cuba, Valdes says: "The United States grants either more or less assistance or loans to those countries it likes or which it considers more democratic. This discrimination cannot continue."

Further, Valdes calls for "permanent assistance, not voluntary or with a fixed dead-line," from Washington in return for continued political alliance.

With hardboiled Tom Mann in charge of economic pollcy, Washington is not about to knuckle under to this thinly disguised blackmail. But if the Chilean blueprint for dividing the United States from its Latin neighbors actually is unveiled in Rio next month, the detonation will be music to Communist ears everywhere.



OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 12, 1965

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent to reprint in the Appendix of the Record a perceptive analysis by Washington correspondent William S. White of President Johnson's recent speech on our country's Asian policy.

The article follows:

From the Washington Post, Apr. 9, 1965] VIETNAM SPEECH: POLICY AS FIRM AS EVER
(By William S. White)

President Johnson's so-called "new" policy for dealing with Communist aggression in

South Vietnam is not new in fact nor does it in the smallest way soften his real position. To the contrary, he feels—and objective reading of what he said at the John Hopkins University supports him in this—that its meaning is simply firmly to establish the two bedrock necessities for remaining in Vietnam until aggression has been brought to a halt by self-enforcing peace arrange-ments that will not and cannot be later cast aside by the Communists as other agreements have been.

The vital words here are "self-enforcing." The President will never go along with some spurious deal resting only on Communist promises to quit attacking South Vietnam. For his own part, in short, he considers himself more deeply committed than ever before to bringing those attacks to an end. If others think he is less committed, as some seemingly do, the answer is simple: Surely, he ought to be the best witness of the inten-tions of Lyndon B. Johnson.

The first of the twin bedrock necessities to staying in Vietnam is a continuing American military action, which will be carried just as far as the Communists force it to be carried. The President is astonished, as to this point, that so much of the interpretation of his Johns Hopkins speech has so stressed his promise in some circumstances of American economic aid to Vietnam and southeast Asia generally and so kissed off these other passages

"We will not be defeated. We will not grow tired. We will not withdraw, either openly or under the cloak of a meaningless agreement * * * peace demands an independent South Vietnam—securely guaranteed and able to shape its own relationships to all others—free from outside interferences—tied to no alliance—a military base for no other country." How do you get any more committed than this? agreement * * * peace demands an independ-

This continued American military action is not merely to help protect South Vietnam. It is vital to prevent what has always been the nightmare of American policymakers, the nightmare of a total collapse in South Vietnam. nam's morale and government which might make impossible further effective American assistance of any kind.

The second bedrock necessity is to placate, so far as may be rationally possible, the endless fretful complaint from Allied governments and some sections of responsible opinion at home that the United States is offering no "constructive" alternatives to continued war.

It is here that Mr. Johnson's suggestion for a cooperative economic development of southeast Asia takes its place. Once the nations directly involved begin this development in good faith, he is prepared to ask Congress to authorize a billion-dollar American "investment"—not, by the way, a mere American gift—in such an enterprise. Here, again, the President is both disappointed and surprised at some Republican criticism of this as an effort to "buy peace." In the first place, we are already spending

far more than a billion a year in South Vietnam alone, putting military and economic expenditures together. In the second place, what he is speaking of as a possibility for what he is speaking of as a possibility for southeast Asia generally is already taking place in South Vietnam. In the third place, the principles of such a program were in fact recommended to President Kennedy by Mr. Johnson as Vice President as early as 1961. He sees it as about what we have done widely long since in Latin America to prevent chaos and Communist encroachment.

In the fourth place, this problematical and future American carrot, though sincerely held

out if the Communists will make it possible to hold it out usefully, weighs far less than the here-and-now American stick that accompanies it. No country being attacked has in all history been given a more profound and more powerful military American guarantee than the guarantee the President has now given to South Vietnam.

Major Theatrical Production Will Have Memphis Premiere

EXTENSION OF REMARKS

HON. GEORGE W. GRIDER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES Monday, April 12, 1965

Mr. GRIDER. Mr. Speaker, some persons think that we are having a cultural explosion in this country.

While that point is highly debatable. I think we can all agree that the interest in the arts is on the increase. An interest by leaders of governments at all levels and financial support from foundations and other philanthropists have certainly contributed to enlivening the lively arts. Just last week President Johnson administered the oath of office to members of the National Council on the Arts. This new group will do much to encourage the creative activity and interests of our people.

The growth of repertory theaters such as Memphis' Front Street Theatre has been spotlighted by Time magazine and other national publications. No longer must we in the hinterlands depend on New York as the sole dispenser of entertainment and enlightenment from the legitimate stage.

In fact, next month the American and English-language premiere of Ugo Betti's "Troubled Waters" will be presented at Memphis State University. My city takes an especial pride in this because following its Memphis performance, the professional company will move to New York with the late Italian dramatist's modern tragedy.

Edwin Howard, amusements editor of the Memphis Press-Scimitar, reported this forthcoming event in a recent edition of his column, The Front Row. His article follows:

[From the Memphis Press-Schmitar, Apr. 7, 1965]

THE FRONT ROW-MEMPHIS GETS BETTI PLAY BEFORE NEW YORK CITY

(By Edwin Howard)

Memphis' emergence as a hub of theatrical activity takes another spurt forward today with the announcement of the American and English language premiere at Memphis State University May 13 to 15 of Ugo Betti's "Troubled Waters." The professional production will then move to New York for what it s hoped will be an extended run.

The late Italian dramatist's modern tragedy will not only be performed, but produced, in Memphis. Following the Memphis premiere, the company will move to the Gram-ercy Arts Theater off Broadway in New York. Previews in New York will begin about May 20, followed a week later by the official opening.

This major theatrical event for Memphis

was announced jointly today by Dr. Harry Ausprich, chairman of the MSU speech and drama department, and Eric Salmon, guest professor of drama for the spring semester.

Saimon's own company, Theater Outlook, ls now casting and will produce the Betti drama on the MSU campus. Theater majors will be permitted to watch rehearsals and will participate in weekly seminars on the production. A company of eight actors will arrive on the campus about April 15 to begin rehearsals. Salmon will direct and design the production. Also on the campus during the production period will be a lighting designer from New York and one of the transla-tors of the play, Gino Rizzo. "Troubled Waters" will shortly be published in a new collection of Betti's plays translated by Rizzo and William Merlwether.

RENEWED INTEREST IN BETTI

Betti, who died in 1953, is the most important Italian dramatist since Pirandello and one of the major figures in the modern theater. He has been relatively neglected in the United States until recently. Last year his "Corruption in the Palace of Justice" was produced off-Broadway. "The Queen and the Rebels," his best known play in this country, was revived off-Broadway this year. Salmon's production of "Troubled Waters" wiil reach New York late next month, and in September Claude Rains is to appear in a Broadway production of "The Burnt Flower

Salmon considers "Troubled Waters" one of Betti's most important plays. "It is," he says, "another in the fascinating series of o'Neill to Camus and Pirandello to Miller, to write a modern tragedy of major proportions."

The English actor-director's first appearance on the Memphis theatrical scene was made last spring when he lectured on Britain's so-called "angry young men." When MSU initiated a guest professorship in drama, Salmon was the first person Dr. Ausprich thought of. Salmon has been on the campus 2 months now, teaching classes in advanced acting and directing, and himself directing the forthcoming MSU-community production of "The Winter's Tale," to be presented April 27-May 1 by the Memphis Shakespeare Festival, Inc.

AT \$25 A TICKET FOR OPENING NIGHT

I asked Salmon how he was going to teach and direct two plays at the same time. He said, "It is going to be rough, actually. But the frame of 'Winter's Tale' is there. The hard, imaginative work is finished, but there is, of course, a lot of polishing yet to be done and the two productions will overlap about 10 days.

"I propose to handle that by gritting my teeth.'

The first of the three Memphis performances of "Troubled Waters" will be a gala premiere for special patrons of the production. Tickets will be \$25 each and will include an after-theater supper. The other two performances will be open to the public at \$2.50 each.

After production costs are paid, proceeds will go to MSU to help underwrite the special chair in drama. Salmon has already agreed to return next spring and Dr. Ausprich said it is hoped he may be resident professor of drama all next year.

THE 750 JONESBOROANS APPLAUD FRONT STREET'S "FANTASTICKS"

Memphis' growth as a theatrical center got another boost Monday night when Front Street Theater's touring unit presented "The Fantasticks" to an enthusiastic crowd of 750 at Arkansas State Coilege in Jonesboro.

The audience was made up of about half students and half townspeople and "they really filpped," according to one observer. Director George Touliatos said that, as after

last week's performance in Clarksdale, Miss., the company was asked to come back some time in the future.

"The Fantasticks" played to about 1,150 people in its two road-show engagements. The Lions Club in Clarksdale broke even and Arkansas State made about \$1,000. Front Street charged a flat fee to cover costs for both performances, leaving profits, if any, to local sponsors.

James A. Farley

EXTENSION OF REMARKS

HON. JAMES J. DELANEY

OF NEW YORK

in the house of representatives

Monday, April 12, 1965

Mr. DELANEY. Mr. Speaker, it is always educational to read the observations of a man who is probably the keenest political observer of our time. I refer to James A. Farley, former Democratic National Committee chairman and U.S. Postmaster General, now chairman of the board of the Coca-Cola Export Corp. His remarks about the changing world in politics are worthwhile reading. So that all Americans may have the benefit of his views, I request that his comments be included in the Record.

[From the Dallas (Tex.) Morning News, Mar. 15, 1965]

PERSONAL REPORT: WASHINGTON (By Robert E. Baskin)

The Nation's Capital, of course, is famed for its large number of resident political experts, who can prophesy, project, and interpret just about anything that happens or is about to happen on the political fronts. But if one wants to get a quick, 1-hour

But if one wants to get a quick, 1-hour lesson in politics and the meaning and background of public affairs, there is no better place to go than suite 1800 at 515 Madison Avenue in the heart of Manhattan.

The man you meet there is 76 years old, but he stands tall and straight, his mind is as sharp as it was 30 years ago when he masterminded great campaigns, and his attitude is one of great vigor, tremendous enthusiasm, and unflagging curiosity.

He is James Aloysius Farley, who for half a century has been one of the great figures in Democratic politics, the man who engineered Franklin D. Roosevelt's 1932 and 1936 campaigns, who forecast uncannily the outcome of the latter (F.D.R. winning all but Maine and Vermont) and who early last year predicted President Johnson would win a landslide victory.

Today the former Postmaster General and Democratic National Committee chairman is board chairman of the Coca-Cola Export Corp. He is a busy man.

But he has not relinquished any of his interests in politics and can talk charmingly and succinctly on intricate political matters, such as the present confusing situation between the forces of Senator ROBERT F. KENDRY and New York Mayor Robert Wagner in New York State.

Farley keeps his ears open. His advice on political matters is sought by many persons. It is no secret in Washington that Mr. Johnson has maintained close contact with him, and there are few occasions when Farley can not come up with a forthright piece of advice. Almost invariably he is heeded.

Although he eventually fell out with Franklin Roosevelt, he's never been an out-

sider in Democratic Party circles that really count. His acute political sense has been and still is one that cannot be ignored.

It is interesting to observe that Farley does not live in the past, and he firmly believes the political world of today.

"The new breed of politician," he wrote recently, "is far superior to its predecessors." The reason is patently simple.
"The country has improved immeasurably,

"The country has improved immeasurably, has become far more complex and hence retuires far more able men to run it."

ruires far more able men to run it."

In the modern world, Farley continued, "the old-fashioned ward leaders who relied on the May-waitz, the clambake, and the Thanksgiving turkey are as quaintly moribund as the old harness shop.

bund as the old harness shop.
"The modern district leader has to have
the answers on new school financing, public
health policies, and proposed zoning
changes."

The expanding news media have also made American citizens better informed, Farley says, and this tends to liberate them from "the outmoded bosses of our political past."

"the outmoded bosses of our political past."
In his office, which is cluttered with memorabilia of his political years, Farley enjoys talking with visitors and makes it a point to answer his phone whenever it rings.

rings.

"It's simpler than having a secretary running in to tell me somebody is on the

phone," he said recently.

Despite his high standing with the party's wise men, New York Democratic leaders passed him over for the senatorial nomination in 1958 and for Governor in 1962 and in both cases the lesser known nominees were defeated. Farley's conservative views may have been the reason for being passed over by the liberally oriented New York party.

Farley is blunt about some long revered political practices. In a law day speech at the University of Georgia last spring he had this to say about logrolling:

"I have rolled many a log, secure in the knowledge if someone didn't roll the logs there wouldn't be any lumber even to build a stadium for these grandstand quarterbacks. I count it as a vital part of government that a Senator from Arizona, for example, is likely to look with favor upon a new lighthouse in Maine, provided the Senator from Maine views with sympathy an irrigation project in Arizona."

Investiture of Anthony J. Paterno as Knight Commander of the Sovereign Military Order of Malta

EXTENSION OF REMARKS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 12, 1965

Mr. ANNUNZIO. Mr. Speaker, it is my pleasure to have inserted in the Congressional Record the House Resolution 99 passed by the 74th General Assembly of Illinois and introduced by State Representatives Euzzino, DiPrima, Romano, Merlo, Pusateri, Ropa, and Zagone. On Saturday evening, April 10, over 2,000 Chicagoans attended a banquet in honor of Mr. Anthony J. Paterno on the occasion of his official investiture as knight commander of the Sovereign Military Order of Malta. The resolution congratulating him on his investiture follows:

STATE OF ILLINOIS, 74TH GENERAL ASSEMBLY HOUSE OF REPRESENTATIVES

HOUSE RESOLUTION 99

(Offered by Messrs. Euzzino, DiPrima, Romano, Merlo, Pusateri, Ropa, and Zagone)

Whereas on April 10, 1965, Anthony Paterno, an outstanding civic leader and highly respected American of Italian ancestry will be vested as knight commander into the Sovereign and Military Order of Malta; and

Whereas the Sovereign and Military Order of Malta was founded in the 11th century in Jerusalem, by Blessed Gerald, an Italian Benedictine monk, with the help of some pious citizens from Amalfi; it is the most ancient of all orders of knighthood; and

Whereas it is indeed proper for a man who served as president of the joint civic committee of Italian-Americans with the unflinching spirit of a pioneer, the steadfast devotion of a servant and idealist, the deeprooted love of a humanitarian; and who has atained the very height of affection he now enjoys in the Italo-American community, be invested into this outstanding worldwide organization; and

Whereas the life of Anthony Paterno is an outstanding example of integrity, individual initiative and solid accomplishment: Therefore be it

Resolved by the House of Representatives of the 74th General Assembly of the State of Illinois, That we extend our hearty congratulations to Anthony Paterno, upon his receiving this high honor; and extend our best wishes for many more great moments in the service of our people; and that a suitably engrossed copy of this resolution and preamble be sent to Mr. Paterno, the joint civic commitee of Italo-Americans and the Fra Noi newspaper in Melrose Park, Ill.

newspaper in Melrose Park, Ill. ,Adopted by the house, March 24, 1965.

JOHN P. TOUHY,
Speaker of the House.
CHARLES F. KERVIN,
Clerk of the House.

Anthony J. Paterno is a real life Italo-American success story that matches any Horatio Alger dream.

A guiding light for his fellow man, Anthony Paterno is faith in action—his is the unflinching spirit of a pioneer, the steadfast devotion of a servant and idealist, the deep-rooted love of a humanitarian

Our community has benefited by his hard work, loyalty and love for mankind and his integrity, individual initiative and solid accomplishment, his is a most outstanding example of what one man can achieve in our great democratic society.

At age 18, he made an important decision. Courageous and ambitious, young Tony decided to immigrate to America from his native Sicily.

He arrived in Chicago in August 1923, and immediately sought employment. What he found were sweatshop jobs—backbreaking, long hours, and low-pay employment.

He worked on railroads, in factories, on constructions, and became a barber, insurance agent, plastering contractor, repair man, sold fruits and vegetables, and operated a grocery and meat market and restaurant and then became a pioneer in the pizza business in Chicago.

In spite of the tremendous pressure of his business, Anthony Paterno has always found time to help men of every race, creed and color.

It would be impossible to number all who have been guided by Mr. Paterno in